

PUBLIC AFFAIRS STAFF

Deputy Director Frank Carlucci

Lake of the Ozarks Press Conference

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DEPUTY DIRECTOR FRANK CARLUCCI: The principal witnesses will be the Secretary of State, the Secretary of Defense, and the Central Intelligence Agency has a role to play in that they're responsible for explaining to the Senate what our monitoring capability would be and what is the likelihood the Soviets would cheat under certain scenarios. But I think it would be premature at this point, prior to his appearance, to speculate on what might be the outcome.

Q: Speaking of that monitoring, recently we've been reading a lot about going back to the old U-2s along the Turkish border, I believe. Are U-2s adequate to gather the intelligence data we need?

DEPUTY DIRECTOR CARLUCCI: Why, it's obvious this is a very complex business. If you're talking about monitoring something as complicated as the SALT II agreements, you have a whole variety of assets that you use around the world, ranging from satellite photography to various other approaches. No single approach, no single monitoring site gives you all of information you need. And many of them are redundant. In fact, in a method like this, it's good to build in as much redundancy as you can. Certain things are directed at certain aspects of the treaty; in other words, launch weights and throw weights. Another site might be directed at the number of re-entry vehicles. So no one site can be described as adequate. Everything contributes to the overall effort to gather as much information as you can.

Q: Has the loss of the listening posts in Iran seriously -- has that seriously affected the capability of the U. S. to monitor Soviet compliance with SALT II?

CARLUCCI: Well, the answer to that is really the converse of what I just said, that the loss of any monitoring sites obviously affects your capability. But it is part of an overall network that has some redundancies built into it. An effort will be made to look at alternative means of collecting the same information.

Q: What's the CIA's position overall on the treaty itself? Is this going to be a good arms limitation treaty? Or is this just a step, as perhaps SALT I was, to an even more comprehensive treaty?

CARLUCCI: Well, it's not the role of the CIA to take a position on a treaty as such. That is really the role of the

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administration, and then it's the role of the Senate to ratify or not to ratify the treaty. Our function is to explain to the Senate what the monitoring capability of the intelligence community is with regard to SALT. Much of that capability, of course, will have to be done secretly.

We expect that testimony will start sometime in June.

Q: The CIA took a lot of flak again over Iran when they lost the two monitoring bases in Iran. Everybody, of course, has been blaming the CIA for everything the past few years. Is the intelligence network right now good enough to make sure that the Soviets do comply with the treaty?

CARLUCCI: Well, that, of course, is what we will be testifying on in June. And let me put it this way, that we have very substantial monitoring capabilities, and we will explain to the Senate with what degree of certainty we can monitor the various provisions of the treaty. It is then up to the Senate in a dialogue with the administration to weigh whether that monitoring capability is sufficient. And it has to be weighed in the light of the chances that the Soviets might cheat on any given provision. And it has to be weighed in the light of U. S. defensive capability.

And so we are not in a position to give a flat yes or no answer to that kind of question.

Q: What is your percent capability, or is that classified?

CARLUCCI: Well, that would be classified information, because obviously we can't reveal to the Soviets all our monitoring capability. And the degree of certainty with which you can monitor any given provision of the treaty will vary, depending upon the nature of the provision.

Q: As far as your own insights and observations over the years, with the sophisticated surveillance data at your fingertips, can the Soviets be trusted? Do they, in fact, cheat on the agreements as such?

CARLUCCI: Well, I don't know that -- you have to look again at that question in terms of various risk-benefit ratios for the Soviets. Obviously, anybody who's had any experience with the Soviets would try and construct a situation in which they would have very few incentives to cheat. Agreements of this nature should have monitoring provisions in it, and that's why the SALT treaty says there will be no steps taken by either party to interfere with the national technical means of verification. So it's essentially what your monitoring capability is that we're talking about. And from the other perspective is

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what we see the risks of cheating for them in terms of the chances of getting caught.

So I don't really think the question is trust....

Q: Mr. Deputy Director, what major changes have you seen since you've been in the organization?

CARLUCCI: CIA?

Q: Yes.

CARLUCCI: In terms of the organization itself or....?

Q: Yes.

CARLUCCI: Well, there has been a lot of structural changes, organizational changes. But I would think that during the past year, we have made several major strides in improving our internal communication, lines or channels of communication, within the agency. We have upgraded our inspection capability, and we have taken a number of steps to improve the quality of analysis that we think will improve the quality of the product, the analytical product, such as setting up a special review board to look over our analyses and to evaluate our analyses. We've also set up a special system for warning and to enable us to spot emerging trouble spots.

I think also we've made good strides in achieving better coordination among the different components of the intelligence community, whether it's the military intelligence community, or the CIA, or the Intelligence bureau of the State Department. Hence, there's now a good deal more cooperation than existed a year ago.

Q: Since nobody's jumped in here with a question, can you give us a little preview of your remarks this evening?

CARLUCCI: Well, the focus of my remarks will be to try and acquaint the members of the Central Missouri Press Association with the basic reasons for a CIA, the kind of things we do, the kinds of analyses that we produce, some of the problems we face, and some of the checks and balances that have been established guaranteeing that the civil liberties of all Americans will be protected.

In terms of the kinds of things we do, the central theme will be that the intelligence business is a lot more complicated now than it was when the CIA was first set up as a result of the Pearl Harbor experience. And just the questions that you've been asking on SALT are an evidence of that. But we're also in a number of other things that people don't normally

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think of. We worry about nuclear proliferation, for example. We do substantial collection in the drug area. In fact, a lot of our information on the imports of drugs into this country comes from CIA sources. We've been reasonably successful in getting information on terrorist activities over the past couple of years, something that is very difficult to do.

And in terms of the problems that we face, I think by far and away the most serious is the erosion of our ability to protect some of the information that we pick up overseas, in particular the erosion of our ability to protect our sources and methods. I think we have to recognize that the CIA, as an institution, is different than many other parts of the U. S. government. You can't just throw it open to the sunshine. And just like a journalist, in order for us to gain information from more sources, we have to guarantee them confidentiality. And if we can't guarantee them confidentiality, we can't function as an institution.

And with such things as the Freedom of Information Act, it is becoming increasingly harder for us to give these guarantees of confidentiality.

Q: May I follow up on that?

CARLUCCI: Sure.

Q: A lot of the secret stuff is going to be given to Congress. Do you personally trust Congress? When you go testify to those men and tell them our secrets, in your heart of hearts, do you believe that that will be kept secret there?

CARLUCCI: Well, it's axiomatic with intelligence information that the more people who know about a given piece of information, the more likelihood -- the more likely it is to leak, whether it's in the executive branch or Congress. And I don't really think it serves any useful purpose for one branch of the government to criticize leaks in another branch. You see Congress criticizing leaks in the executive branch; you see the executive branch criticizing leaks in Congress. The fact is that there are leaks on both sides. And from the point of view of the intelligence agency, wherever it comes out, it's bad.

And I think we're going to have to make an effort all around the government to better protect the kinds of information that need to be protected. And let me make a distinction here, because Stan's -- Admiral Turner has said, in CIA, we have made an intensive effort to declassify as much information as we can. We release some 150 unclassified publications every year that are made available to the Library of Congress and other organizations.

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On the other hand, information that gets out which can compromise a sensitive source overseas erodes the ability of the organization to do its job. So we have to make a distinction to declassify that which does not affect sources and methods, and better protect the information that would identify our sources and methods.

Q: I guess what I would wonder is that the Carter people who are talking about SALT II are saying people really trust us because we know stuff we can't tell you, and boy is it good, because we know some secret things that assure us, the Carter people, that SALT II is going to work. And some of us want to find out what those secret things are. I'm wondering. Do you intelligence people hedge your bets when you go in to talk to Congress? Do you not lay out all the cards? Do you tell them -- when they're all out there, tell them the absolute truth and all the implications?

CARLUCCI: Well we do in executive session. We are not -- we do not, of course, in public session. But we certainly accept the rule that there is a charter, that when we testify in executive session, we will provide all the information requested, and the Congress will undertake to protect that information. And we certainly hope that during the ratification process on SALT, the sensitive information that we give to the Congress will be protected.

So....

Q: If we can get back to SALT for a second? I heard you say that it's up to the Senate to weigh whether, you know, we can monitor. But I mean you have the information at hand. Do you have an opinion? Do you think the U. S. can effectively police this SALT II agreement? I mean I know you've said that the Senate needs to weigh this. But you know, you're in a position to know.

Do you have an opinion? I mean can we effectively weigh -- you know, monitor this thing, or are we going to have to -- is there going to be an element of trust there?

CARLUCCI: I think we can monitor the SALT agreement with a great degree of confidence. This doesn't mean that we can monitor every provision with 100% confidence. There is some margin there. It's really up to the Senate in a dialogue with the administration to determine what are the risks. But I think that -- I think the Senate will be pleasantly surprised by the amount of that capability.

Q: Are the satellites going to play a stronger role in monitoring? I mean I've read articles saying that, you know, the satellites now have a capability where they can read serial

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numbers on trucks. I mean is that a lot of James Bond type stuff where you really have satellites that are that accurate?

CARLUCCI: I can't -- I can't comment in public on the capability of our satellites and that they will play a substantial role in the SALT monitoring.

Q: Mr. Deputy Director, if you take a raw view, if you -- I know you don't have a crystal ball, and we don't either. But what do you foresee as some of the major problems facing the CIA in the next ten or twenty years?

CARLUCCI: Well, I think I just described one, which is the ability to protect our sensitive sources.

Secondly, I think we'll have to work hard to keep pace with the technical developments in the intelligence business. The intelligence business is becoming highly sophisticated, and there're technical advances.

Third, I think we're going to have to devise new techniques for gaining what we call human intelligence. That is, develop good old-fashioned espionage. The counter-intelligence techniques are becoming much more sophisticated. So we're going to have to use our imagination -- Imagination to keep ahead in that area.

Q: Your biography looks like you've been in the Navy and in government during the Cold War. And, you know, if you could step aside from the CIA for a moment, do you have feeling about if we fail to get the SALT treaty or some kind of nuclear arms agreement; you know, your own personal view, if at all possible, of the implications if we don't get something along those lines?

CARLUCCI: Well, I don't think it'd be appropriate at this point, with the SALT ratification hearings coming up, for anybody in my position to express a personal point of view. Certainly the SALT agreement is extremely important. And all of us are philosophically in favor of arms limitation. I don't anyone who's in favor of continuing the arms race. It's the fact that both sides have come to realize the folly of this arms race which led to the SALT I and SALT II agreements. And anything we can do to lessen tensions in this world certainly would be most desired.

Somebody new here have a question?

Q: I apologize for coming in late. Perhaps you've touched on this before. I was wondering if you could give me your feelings on SALT and....

CARLUCCI: We've touched on nothing but.

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Q: Let me ask you this. How would the loss of the monitoring base in Iran and the [ ] manuals, I believe, affect SALT?

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CARLUCCI: Well, the monitoring capability for SALT is essentially a network, which has some redundancy built into it. And it's a network that allows you a certain margin of confidence and to monitor the various provisions of the agreement. The loss of any part of that network obviously reduces your competence. It's really a judgment call on what level of competence you need to be able to say you have sufficient verification capability. And we are looking at various alternatives....

Q: To Iran?

CARLUCCI: ...to Iran, to try and get our monitoring competences as high as we possibly can.

This is not to say that it's inadequate.

Q: On less of a serious note and hardly maybe a banner headline type question, what are some of your plans, since it's rare you get a chance to study the Lake of Ozarks area? I heard a rumor that you like to play tennis, and that may be wrong. Will you get a chance to relax and have some fun and enjoy our area? We're very proud of it.

CARLUCCI: Oh, it's a beautiful area. It's the first time I've been here. And I've already been in your lake and have enjoyed a couple of your tennis courts, and I'm very much enjoying the hospitality of everyone here. It's a lovely place, and I would just like to be able to spend more time than this weekend here. I'd like to be able to come back.

Q: It's nice to have you here....

CARLUCCI: Thank you very much.

Q: I'd like to say one thing on that subject. I didn't have the opportunity to go over there. I was picking up some supplies. But I really would like to welcome the press, particularly the people who are taking their time off this weekend to come down here.

Mr. Carlucci is very modest as far as his talking about tennis. He and his wife took us to task this morning on the tennis courts.

[Laughter.]

CARLUCCI: I want to assure you that I don't spend



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my time in Washington playing tennis.

Q: They say that the CIA -- they give 'em the nickname of "The Company." Well, they were very bad company this morning.

So we do welcome you, and we thank you very much for coming. We do have some hors d'oeuvres and a few drinks to kind of quench your thirst before you go anywhere. If you'd like to continue your conversation with Mr. Carlucci, you may. And it's really up to you guys.

And again, we thank you very much for coming. And before you leave....

Q: Okay. I know that you're kind of reluctant to give personal opinions on this thing. But there's been a lot of talk that this treaty kind of freezes the U. S. into a position of inferiority. I mean I wasn't going to ask you, because I know you're in a sensitive position where you don't really want to give an opinion. But you obviously have a lot of knowledge at your fingertips that the average person doesn't. Would you have an opinion on that, maybe give any kind of reassurance that this is not going to -- you know, by 1985, leave us -- leave us in a position where the Soviet Union can do whatever it wants?

From the provisions that you know, what would you say to someone who says the treaty freezes us into inferiority by 1985?

CARLUCCI: Well, SALT II has to be looked upon as a precursor to SALT III and as a sequel to SALT I. We essentially are in a process, and which is leading to mutual restraint on the arms race. And you have to look at it in a dynamic terms, not in static terms.

And while I certainly don't want to inject myself in essentially a policy debate -- we're not a policy....

Q: Right.

CARLUCCI: ...as you know. But I think it is necessary to look at the provisions of SALT II in light of where we've come from and where we're going, not to take a photograph of it at any particular point in time.

Q: I'd like to follow up on that. What kind of assurances can the United States be provided with that the Soviets are following the terms of the agreement? Can you say that there is a hundred percent assurance, or a fifty percent [assurance]?

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CARLUCCI: Well, that will, of course, be the subject of the testimony during the ratification process. And you will have to weigh the confidence that you can monitor -- with which you can monitor any given provision. We can't give an overall critique of the treaty. Every provision has different characteristics, and we have different collection procedures for different provisions, although there is some -- there're some redundancies between those systems.

So it's not a question that can be answered in one word. And I'm obviously not in a position to answer the monitoring competence of the individual provisions, because that -- that testimony will be given in a closed hearing because of the sensitivity of our monitoring systems.

Q: Mr. Carlucci, again, to go back to my original question, how would you answer somebody who said that this freezes us into a position of inferiority; you know, it locks us in while it leaves the Soviets free....?

CARLUCCI: Well, I would answer him just the way I answered you, that it's a dynamic process, and you have to weigh -- really, to answer that question, you have to do a comprehensive analysis of what our capability might be versus their capability. And I don't think it's easily answered with one question. But I do not think it freezes us in the sense that we're moving from first stage to second stage, and we will be moving from second stage to third stage. And you have to ask the question whether we would be restrained as far as areas where we would otherwise have moved ahead. And I think this is really a question for the Secretary of Defense to answer, to the best of my understanding. And his answer was no.

But that's really outside of my competence.

Q: Yes. Well just to go about it one other way. Let's then say that the treaty is ratified by the Senate. By 1985, do you believe that the U. S. and the Soviets will be pretty much equals, militarily, or however they are?

CARLUCCI: Well, I....

Q: You see, what I'm worrying [about] is the point you made about this dynamic process. I'm wondering if you're saying that, well, we may be a little weakened by this one, but in the next one we're going to....

CARLUCCI: You see, I can't answer that question, because I can't say what the U. S. defense budget is going to be. That's again beyond my competence. And I suppose the U. S. defense budget will depend, in part, on whether SALT II is rati-

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fied.

Q: Yeah. Last question. But you personally don't have any reservations about the SALT II agreement?

CARLUCCI: Well, I don't think it's appropriate for me to express my personal opinion.

Q: Thank you.

[End of press conference.]